



General Assembly

February Session, 2002

Raised Bill No. 186

LCO No. 1236

Referred to Committee on General Law

Introduced by:
(GL)

AN ACT CONCERNING CONSUMER FINANCIAL INFORMATION.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 42-371 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2002*):

3 (a) As used in this section:

4 (1) "Retailer" means any person who sells goods used primarily for
5 personal, family or household purposes to a person who is not in the
6 business of reselling such goods;

7 [(2) "Discount card or device" means any card or device issued by a
8 retailer to a consumer, that the consumer may use to obtain a discount
9 when making purchases from the retailer, including, but not limited to,
10 a scanner card;]

11 [(3)] (2) "Consumer" means an individual who is an actual or
12 prospective purchaser of goods used primarily for personal, family or
13 household purposes; and

14 [(4)] (3) "Consumer information" means information that identifies a

15 consumer and that is obtained by a retailer, [from the consumer's use
16 of a discount card or device issued by the retailer in the course of the
17 retailer's business.]

18 (b) No retailer [who issues, or has issued, a discount card or device
19 in this state to a consumer] may sell, lease or relinquish to, or exchange
20 for value with, any other person, firm or corporation any consumer
21 information, unless (1) the retailer provides reasonable prior written
22 notice to the consumer, (2) the retailer provides the consumer with the
23 option [, at the time the consumer applies for the discount card or
24 device or at the time the consumer receives an unsolicited discount
25 card or device,] of preventing the retailer from selling, leasing, [or]
26 relinquishing or exchanging for value such information, and (3) the
27 consumer does not exercise such option to prevent the retailer from
28 selling, leasing, [or] relinquishing or exchanging for value such
29 information.

30 (c) Such notice shall (1) state that information identifying the
31 consumer may be sold, leased, [or] relinquished or exchanged for
32 value to other persons, firms or corporations, (2) describe the purposes
33 for which such information would be used, and (3) include a form the
34 consumer may use to prevent the retailer from selling, leasing, [or]
35 relinquishing or exchanging for value such information. The notice
36 shall provide the consumer with no less than sixty days from receipt of
37 the notice to exercise the consumer's option to prevent the retailer from
38 selling, leasing, relinquishing or exchanging for value such
39 information.

40 (d) Nothing in this section shall be construed to supersede the
41 federal Fair Credit Reporting Act (15 USC 1681 et seq.).

42 (e) The provisions of this section do not apply to the [sale, lease or
43 relinquishing] selling, leasing, relinquishing or exchanging for value of
44 consumer information by a retailer to another person, firm or
45 corporation that directly or through one or more intermediaries,
46 controls, or is controlled by, or is under common control with, such

47 retailer.

48 (f) Notwithstanding the provisions of subsection (b) of this section, a
 49 retailer may relinquish consumer information to (1) a credit rating
 50 agency, as defined in section 36a-695, or a consumer reporting agency,
 51 as defined in 15 USC 1681 et seq., provided such information may be
 52 relinquished only if the discount card or device also functions as a
 53 credit card, as defined in section 53a-128a, (2) a person, firm or
 54 corporation performing or providing services used for the delivery of
 55 such retailer's promotional offers, or (3) a person, firm or corporation
 56 performing or providing services used for the delivery of such
 57 retailer's billing statements.

58 (g) Any violation of any provision of this section shall be deemed an
 59 unfair or deceptive trade practice under subsection (a) of section 42-
 60 110b.

61 (h) The provisions of this section shall not apply to the provision of
 62 consumer information by a retailer (1) to a financial institution, as
 63 defined in the Gramm-Leach-Bliley Financial Modernization Act of
 64 1999 (15 USC 6801 et seq.), if such information is subject to the
 65 provisions of said act, or (2) to any entity if such information is used by
 66 such entity only for administering a program on behalf of the retailer.

This act shall take effect as follows:	
Section 1	October 1, 2002

Statement of Purpose:

To expand existing consumer protections against the dissemination of consumer financial information by retailers.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]